



**STEVE WESTLY**  
**California State Controller**

**NEGOTIATION AGREEMENT  
COUNTYWIDE COST ALLOCATION PLAN**

**County of Butte**  
**Oroville, California**

**Date: May 29, 2003**  
**Filing Ref: BUT04**

Pursuant to federal Office of Management and Budget (OMB) Circular A-87, the State Controller's Office formally approves the Countywide Cost Allocation Plan as described in Section I for use in the **2003-04** fiscal year. This approval is subject to the conditions contained in Section III.

Departmental indirect cost proposals should clearly identify those costs that have been distributed through Sections I and II of this agreement in accordance with the guidelines of the responsible grantor agency for that department. Further, data processing systems may be subject to grantor agency approval prior to the reimbursement of certain costs allocated, billed, or cost applied from the Data Processing Department.

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**SECTION I: COSTS DISTRIBUTED THROUGH COUNTYWIDE COST  
ALLOCATIONS**

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The indirect overhead and support service costs listed in **Exhibit B** (attached) are formally approved as actual costs for the **2001-02** fiscal year and as estimated costs for the **2003-04** fiscal year on a "fixed with carry-forward" basis. These costs may be included as part of the costs of the county departments indicated effective **July 1, 2003**, for further allocation to federal grants and contracts performed by the respective county departments.

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**SECTION II: COSTS DISTRIBUTED THROUGH BILLING OR COST  
TRANSFER MECHANISMS**

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|--|---------------------------------------|
| 1. Employee Fringe Benefits                  | 12. Unemployment Insurance (ISF)      |
| 2. County Administrative Office              | 13. Medical Liability Insurance (ISF) |
| 3. General Services                          | 14. Transit Self-Insurance (ISF)      |
| 4. Auditor-Controller                        | 15. Miscellaneous Insurance (ISF)     |
| 5. Purchasing                                | 16. Buildings & Grounds (ISF)         |
| 6. Treasurer – Tax Collector                 | 17. Utilities (ISF)                   |
| 7. Personnel                                 | 18. Motor Pool (ISF)                  |
| 8. County Counsel                            | 19. Central Duplicating (ISF)         |
| 9. Information Systems (ISF)                 | 20. Central Stores (ISF)              |
| 10. General Liability Insurance (ISF)        | 21. Communications (ISF)              |
| 11. Worker's Compensation Insurance<br>(ISF) |                                       |

In addition to Section I, which provides for services furnished but not billed, the services listed above are furnished and billed to state/local departments and agencies.

Direct charges from the above centers should be billed or cost applied in accordance with the procedures established by the county as described in its Countywide Cost Allocation Plan and may be included as part of the costs of the county departments indicated in Section I.

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**SECTION III: CONDITIONS**

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**A. LIMITATIONS:** Use of the amounts contained in this Negotiation Agreement are subject to any statutory or administrative limitations and, when ultimately allocated to individual grants or contracts through the indirect cost proposals of each county department, are applicable only to the extent that funds are available. Acceptance of the amounts agreed to herein is predicated on the conditions: (1) that no costs other than those incurred by the county were included for distribution in its Countywide Cost Allocation Plan as finally accepted, and that such costs are legal obligations of the county and allowable under the governing cost principles, (2) that similar types of costs have been accorded consistent accounting treatment, and (3) that the information provided by the county that was used as the basis for acceptance of the amounts agreed to herein is not subsequently found to be materially incomplete or inaccurate.

**B. CHANGES:** Fixed amounts contained in this Negotiation Agreement are based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Significant changes in the organizational structure or changes in the method of accounting for costs that materially affect the amount of reimbursement resulting from use of the amounts in this Negotiation Agreement will require prior approval of the authorized representative of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowances.

**C. FIXED AMOUNTS:** The fixed amounts contained in Section I of this agreement are based on an estimate of the costs that will be incurred during the period to which the amounts apply. When the actual costs for this period are determined, any differences between the fixed costs used as an estimate and the actual costs will be considered in a subsequent agreement.

**D. BILLED COSTS:** Charges for the services cited in Section II will be billed or cost applied in accordance with the procedures established by the county and recorded on the books of the cost center providing the service. Such charges will be based on the actual allowable costs, as defined by OMB Circular A-87, incurred by the cost center responsible for providing the service. Any differences between the billed allowable costs and the actual allowable costs for a particular accounting period will be considered in a subsequent agreement.

**E. NOTIFICATION TO STATE AND FEDERAL AGENCIES:** Copies of this document will be provided to other state and federal agencies as a means of notifying them of this approval.

**F. SPECIAL REMARKS:** None.

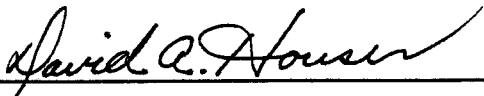
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**SECTION IV: ACCEPTANCE**

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**COUNTY OF BUTTE**

BY



DAVID A. HOUSER

Name

Auditor-Controller

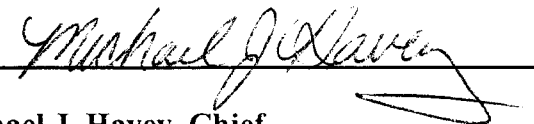
Title

6-4-03

Date

**STEVE WESTLY****CALIFORNIA STATE CONTROLLER**

BY

Michael J. Havey, Chief  
Bureau of Payments

6-24-03

Date

Negotiated by Tillman Sherman  
Telephone (916) 322-9437

cc: State and Federal Agencies

Attachment

EXHIBIT B  
 BUTTE COUNTY  
 SPACE USE & EQUIPMENT DEPRECIATION SUMMARY SCHEDULE  
 FOR 2003-2004 COST PLAN

| RECEIVING DEPARTMENT             | DEPT<br>CODE | ANNUAL<br>SPACE<br>USE | ESTIMATED<br>DEPREC.<br>EXPENSE | ANNUAL FED./<br>STATE DEPREC.<br>EXPENSE | EST. NET<br>DEPREC.<br>EXPENSE | ESTIMATED<br>2003-04<br>CLAIM |
|----------------------------------|--------------|------------------------|---------------------------------|--|--------------------------------|-------------------------------|
| BOARD OF SUPERVISORS             | 010006       | 2,959                  | 761                             |  | 761                            | 3,720                         |
| ADMINISTRATION                   | 020001       | 2,864                  | 4,312                           |  | 4,312                          | 7,176                         |
| CLERK OF THE BOARD               | 020002       | 501                    | 1,632                           |  | 1,632                          | 2,133                         |
| GENERAL SERVICES                 | 020003       | 310                    | 408                             |  | 408                            | 718                           |
| AUDITOR                          | 050          | 6,164                  | 5,557                           |  | 5,557                          | 11,721                        |
| PURCHASING                       | 060002       | 758                    | 0                               |  | 0                              | 758                           |
| EMERGENCY SERVICES               | 060003       | 514                    | 4,831                           |  | 4,831                          | 5,345                         |
| TREASURER                        | 070          | 3,839                  | 17,246                          |  | 17,246                         | 21,085                        |
| ASSESSOR                         | 080          | 12,420                 | 32,770                          |  | 32,770                         | 45,190                        |
| PERSONNEL                        | 090          | 3,971                  | 1,835                           |  | 1,835                          | 5,806                         |
| COUNTY COUNSEL                   | 100          | 2,718                  | 1,214                           |  | 1,214                          | 3,932                         |
| ELECTIONS                        | 130001       | 3,646                  | 20,423                          |  | 20,423                         | 24,069                        |
| PW - GENERAL SERVICES            | 181          |                        | 889                             |  | 889                            | 889                           |
| GRANT MATCHING- CAA              | 182004       | 344                    | 0                               |  | 0                              | 344                           |
| UNALLOCATED                      | 224          | 10,008                 | 0                               |  | 0                              | 10,008                        |
| CONSOLIDATED COURTS              | 250001       | 142,489                | 174,018                         | (174,018)                                | 0                              | 142,489                       |
| DA ADMIN                         | 320001       | 16,740                 | 29,703                          | (3,435)                                  | 26,268                         | 43,008                        |
| CHILD SUPPORT INVESTIGATIONS     | 320002       |                        | 3,400                           | (3,400)                                  | 0                              | 0                             |
| DA CHILD ABDUCTION               | 320003       |                        | 12,138                          | (12,138)                                 | 0                              | 0                             |
| DA GRANTS                        | 320004       |                        | 14,614                          | (5,447)                                  | 9,167                          | 9,167                         |
| DA FRAUD UNIT                    | 320005       |                        | 66,134                          | (66,134)                                 | 0                              | 0                             |
| SHERIFF- ADMIN                   | 360001       | 12,221                 | 143,213                         | (8,173)                                  | 135,040                        | 147,261                       |
| SHERIFF- OPERATIONS              | 360002       | 18,831                 | 140,881                         | (91,514)                                 | 49,367                         | 68,198                        |
| SHERIFF- INCARCERATION           | 360003       | 213,165                | 94,347                          | (19,494)                                 | 74,853                         | 288,018                       |
| SHERIFF- MIOCR GRANT             | 360006       |                        | 26,231                          | (26,231)                                 | 0                              | 0                             |
| SHERIFF- RURAL COUNTY SUPPLEMENT | 360007       |                        | 26,363                          | (26,363)                                 | 0                              | 0                             |
| SHERIFF- SPEC ENFORCEMENT        | 360008       |                        | 73,157                          | (10,193)                                 | 62,964                         | 62,964                        |
| SHERIFF- NARCOTICS TASK FORCE    | 360011       |                        | 3,799                           | (3,799)                                  | 0                              | 0                             |
| SHERIFF- CLEEP - HIGH TECH EQUIP | 360012       |                        | 12,289                          | (12,289)                                 | 0                              | 0                             |
| JAIL- CONSENT DECREE             | 361          |                        | 0                               |  | 0                              | 0                             |
| SHERIFF-STATE COPS ENF           | 362          |                        | 0                               |  | 0                              | 0                             |
| JUVENILE HALL                    | 420001       | 40,992                 | 9,999                           |  | 9,999                          | 50,991                        |
| PROBATION                        | 430001       | 3,488                  | 22,326                          | (8,174)                                  | 14,152                         | 17,640                        |
| PROBATION-VICTIM WITNESS         | 4300006      | 400                    | 0                               |  | 0                              | 400                           |
| PROBATION-BD OF CONTROL          | 4300087      |                        | 0                               |  | 0                              | 0                             |
| BLDG. INSPECT                    | 440002       | 3,221                  | 9,555                           |  | 9,555                          | 12,776                        |
| SUBDIV INSPECT                   | 440004       | 635                    | 0                               |  | 0                              | 635                           |

| RECEIVING DEPARTMENT           | DEPT<br>CODE | ANNUAL<br>SPACE<br>USE | ESTIMATED<br>DEPREC.<br>EXPENSE | ANNUAL FED./<br>STATE DEPREC.<br>EXPENSE | EST. NET<br>DEPREC.<br>EXPENSE | ESTIMATED<br>2003-04<br>CLAIM |
|--------------------------------|--------------|------------------------|---------------------------------|--|--------------------------------|-------------------------------|
| BLDG. INSPECT                  | 440002       | 3,221                  | 9,555                           |  | 9,555                          | 12,776                        |
| SUBDIV INSPECT                 | 440004       | 635                    | 0                               |  | 0                              | 635                           |
| DEVELOPMENT SERVICES           | 440001       | 841                    | 6,084                           |  | 6,084                          | 6,925                         |
| WATER DIVISION                 | 441          | 1,090                  | 0                               |  | 0                              | 1,090                         |
| FIRE PROTECTION                | 450001       | 30,349                 | 192,933                         | (17,743)                                 | 175,190                        | 205,539                       |
| FIRE PROTECTION - VOLUNTEER    | 450002       |                        | 79,271                          | (4,595)                                  | 74,676                         | 74,676                        |
| FIRE ANCILLARY SERVICES        | 450003       |                        | 9,287                           | (9,287)                                  | 0                              | 0                             |
| POWER LINE INSPECT PRGM        | 450004       |                        | 7,091                           |  | 7,091                          | 7,091                         |
| AGRICULTURE                    | 460001       | 1,748                  | 27,867                          |  | 27,867                         | 29,615                        |
| RECORDER                       | 470001       | 4,804                  | 86,639                          | 0  | 86,639                         | 91,443                        |
| DEVELOPMENT SERVICES-PLANNING  | 480001       | 2,392                  | 3,413                           |  | 3,413                          | 5,805                         |
| ANIMAL CONTROL                 | 490          |                        | 10,430                          |  | 10,430                         | 10,430                        |
| BUTTE MEADOWS RECREATION GRANT | 510          |                        | 2,519                           | (2,519)                                  | 0                              | 0                             |
| FISH & GAME                    | 520          |                        | 0                               |  | 0                              | 0                             |
| DPW-GENERAL ADMINISTRATION     | 533001       | 4,932                  | 16,679                          | (16,679)                                 | 0                              | 4,932                         |
| DPW-CONSTRUCTION & MAINTENANCE | 533002       |                        | 202,176                         | (202,176)                                | 0                              | 0                             |
| DPW-SHOP & STORES              | 533003       | 2,771                  | 57,357                          | (57,357)                                 | 0                              | 2,771                         |
| PW-TRANSIT SYST OPERATIONS     | 531002       |                        | 0                               |  | 0                              | 0                             |
| PUBLIC HEALTH - GENERAL        | 540001       | 2,964                  | 12,526                          | (3,929)                                  | 8,597                          | 11,561                        |
| PH - ENVIRONMENTAL HLTH        | 540003       | 1,045                  | 19,430                          | 0  | 19,430                         | 20,475                        |
| MENTAL HEALTH - GENERAL        | 541001       | 2,932                  | 108,148                         | (31,416)                                 | 76,732                         | 79,664                        |
| MH-ACHOHOL & DRUG SERVICES     | 541002       |                        |                                 |  | 0                              | 0                             |
| CHILD SUPPORT SERVICES         | 550001       |                        | 95,359                          | (95,359)                                 | 0                              | 0                             |
| WELFARE-ADMINISTRATION         | 570001       |                        | 121,505                         | (121,505)                                | 0                              | 0                             |
| WELFARE-GAIN                   | 570002       |                        | 0                               |  | 0                              | 0                             |
| WELFARE-ELIGIBILITY            | 570003       |                        | 0                               | 0  | 0                              | 0                             |
| WELFARE-PROTECTIVE SERVICES    | 570004       |                        | 14,693                          | (14,693)                                 | 0                              | 0                             |
| WELFARE - CALWORKS             | 570006       |                        | 56,707                          | (56,707)                                 | 0                              | 0                             |
| WELFARE - PUBLIC GUARDIAN      | 570008       |                        | 0                               | 0  | 0                              | 0                             |
| PURCHASING SURPLUS             | 601          |                        | 9,754                           | (1,421)                                  | 8,333                          | 8,333                         |
| INSTITUTIONAL/CORRECTION       | 602          |                        | 0                               |  | 0                              | 0                             |
| VETERAN'S SERVICE OFFICER      | 605          | 268                    | 0                               |  | 0                              | 268                           |
| LIBRARY - LITERACY GRANT       | 629          |                        | 0                               |  | 0                              | 0                             |
| LIBRARIES                      | 630          | 71,419                 | 21,326                          | 0  | 21,326                         | 92,745                        |
| FARM ADVISOR                   | 631          | 1,036                  | 6,820                           |  | 6,820                          | 7,856                         |
| MEM HALLS                      | 641          | 8,335                  | 0                               |  | 0                              | 8,335                         |
| INFORMATION SYSTEMS            | 704          | 3,487                  | 80,479                          | 0  | 80,479                         | 83,966                        |
| GENERAL LIABILITY INS.         | 710001       | 445                    | 2,726                           |  | 2,726                          | 3,171                         |
| WORKER'S COMPENSATION          | 711          |                        | 0                               |  | 0                              | 0                             |
| CO BLDG. & GRNDS               | 720          | 3,680                  | 46,464                          |  | 46,464                         | 50,144                        |
| MOTOR POOL                     | 722          |                        | 9,068                           | 0  | 9,068                          | 9,068                         |
| DUPLICATING                    | 723          | 1,157                  | 3,993                           |  | 3,993                          | 5,150                         |
| STORES                         | 724          | 459                    | 3,788                           |  | 3,788                          | 4,247                         |
| COMMUNICATION                  | 725          | 569                    | 52,229                          |  | 52,229                         | 52,798                        |

| RECEIVING DEPARTMENT         | DEPT<br>CODE | ANNUAL<br>SPACE<br>USE | ESTIMATED<br>DEPREC.<br>EXPENSE | ANNUAL FED./<br>STATE DEPREC.<br>EXPENSE | EST. NET<br>DEPREC.<br>EXPENSE | ESTIMATED<br>2003-04<br>CLAIM |
|------------------------------|--------------|------------------------|---------------------------------|--|--------------------------------|-------------------------------|
| INTER CITY TRANSIT           | 751          |                        | 241,682                         | (241,682)                                | 0                              | 0                             |
| OROVILLE AREA TRANSIT SYSTEM | 752          |                        | 23,927                          | (23,927)                                 | 0                              | 0                             |
| OROVILLE EXPRESS (TAXI)      | 754          |                        | 3,459                           | (3,459)                                  | 0                              | 0                             |
| CNG FUELING FACILITIES       | 755          |                        | 64,232                          | (64,232)                                 | 0                              | 0                             |
| NEAL ROAD LANDFILL           | 757          | 479                    | 6,095                           |  | 6,095                          | 6,574                         |
| NEAL ROAD SEPTAGE            | 758          |                        | 335                             |  | 335                            | 335                           |
| MODULAR FURNITURE            | 800000       |                        | 15,707                          | (4,352)                                  | 11,355                         | 11,355                        |
| CHICO NITRATE STUDY          | 814          |                        | 402                             |  | 402                            | 402                           |
| CSA#4 SIERRA DEL ORO DRG     | 904          |                        | 0                               |  | 0                              | 0                             |
| CSA 24 CHICO/HUD CRK DRNG    | 924          |                        | 6,905                           |  | 6,905                          | 6,905                         |
| TOTALS                       |              |                        | 650,400                         | 2,683,550 (1,443,840)                    | 1,239,710                      | 1,890,110                     |
|                              |              |                        |                                 | 2,683,550                                | 1,239,710                      | 1,890,110                     |
|                              |              |                        |                                 |  | 0                              |                               |

FOOTNOTE: The estimated depreciation expense is for equipment purchased with county funds and excludes all State & Federal funded purchases.

FOOTNOTE: Butte County has changed the threshold for Fixed Asset Purchases from \$2,500 to \$5,000 as of 6/30/01.